

**Comments on the Section 1115 Waiver
from the
Supportive Housing Providers Association**

November 25, 2013

Thank you for the opportunity to provide comments on the proposed 1115 Waiver Concept Paper. The Supportive Housing Providers Association of Illinois (SHPA) is comprised of more than 120 organizations from across the state of Illinois who provide services to individuals experiencing homelessness, at risk of homelessness and/or who may experience a mental illness or other disabling condition. Our member organizations provide supportive housing services to more than 13,000 individuals across the state.

1. Home and Community Based Infrastructure, Coordination and Choice

SHPA strongly supports the development of the Section 1115 Waiver through combining existing Illinois Waivers and modernizing and further developing Home and Community-Based Waiver services. As part of this modernization effort, SHPA encourages the State to include supportive housing services as a set of covered services for individuals eligible for or newly eligible for Medicaid under Illinois' expanded Medicaid program. Housing is widely recognized as a social determinant of health. Supportive housing services are well documented through multiple studiesⁱ to be effective in stabilizing housing for individuals who are homeless or at risk of homelessness and individuals with a mental illness, substance use disorder, other disabling condition or complex health issues. Supportive housing is recognized as a cost effective alternative to institutionalization. All supportive housing:

- Targets households whose heads of household are experiencing homelessness, at risk of homelessness, or are inappropriately staying in an institution. They may

be facing multiple barriers to employment and housing stability, including mental illness, substance use, and/or other disabling or chronic health conditions;

- Is affordable, meaning the tenant household ideally pays no more than 30% of its income toward rent;
- provides tenant households with a lease or sublease identical to non-supportive housing — with no limits on length of tenancy, as long as lease terms and conditions are met;
- Proactively engages members of the tenant household in a flexible and comprehensive array of supportive services, without requiring participation in services as a condition of ongoing tenancy;
- Effectively coordinates with key partners to address issues resulting from substance use, mental health and other crises, with a focus on fostering housing stability;
- Supports tenants in connecting with community-based resources and activities, interacting with diverse individuals including those without disabilities, and building strong social support networks.

Supportive housing services include outreach and engagement; assessment; service plan development; case management; referral, linkage to community services, monitoring and follow up; entitlement assistance and advocacy; job skills training and education and employment services; transportation; independent living skills training; assistance in locating, securing, equipping and establishing safe and affordable housing; tenancy supports; crisis intervention; health and wellness education; medications and physical health monitoring; counseling.

2. Delivery System Transformation

Transforming the delivery system away from institutional care and toward community-based care will require investment in supportive housing setting development, development of service capacity, appropriate reimbursement for services, and organizational infrastructure development for supportive housing providers (including staff training, information system development, accreditation or certification). To bring the right care at the right time to an individual in need requires more than an incentives program, it requires a deliberate commitment to pay for those services in the least restrictive and most appropriate setting. SHPA encourages the State to create a planned transition of long term appropriations from selected long term institutional care settings to community-based housing settings, transitioning a graduated percentage of appropriations each fiscal year, redirecting state resources to community-based options and away from institutional settings. This fundamental shift in state purchase of services will create the pool of funds needed for development of supportive housing. Shifted resources could be directed to a dedicated rental subsidy program for a selected population of “at risk” or disabled individuals, for development and reimbursement of home and community-based services and for “bricks and mortar” development of supportive housing buildings.

3. Build Capacity of the Health Care System for Population Health Management

The vast majority of individuals living in supportive housing are eligible for Medicaid or will be eligible for expanded Medicaid. SHPA strongly encourages the development and coverage of supportive housing services for individuals who are

homeless or at risk of homelessness, individuals who may have a mental illness, substance use disorder, other disabling condition or complex health issues and those who are living in an institution or at risk of institutionalization. In order to have sufficient service provider capacity for the expanded Medicaid population and provision of long-term care services and supports in home and community settings, a certification process should be established to facilitate supportive housing service providers to become Medicaid service providers. These providers have the experience and expertise to engage, work with and wrap services around those individuals who are most vulnerable, most at-risk for poor health outcomes and who may incur the most expense in the Illinois publicly financed healthcare system. They have existing relationships with many of these “high risk/high cost” individuals, have operated with creativity and flexibility in service provision over time and have demonstrated the value and effectiveness of supportive housing through contribution to positive health outcomes and taxpayer cost-savings for those individuals living in supportive housing. These providers will need the State’s assistance to develop the infrastructure necessary to meet Medicaid billing and documentation requirements. SHPA supports the further development of supportive housing settings. While capital funding for housing development is an important component, the ability to provide rental subsidy or support is seen as more valuable for timely and flexible development of housing. The State could pursue the development of a rate methodology that includes the costs of housing and supportive services together as a single daily rate of payment. This methodology could include cost components

parallel to, and less expensive than, the costs of care in institutional settings with the cost of housing indexed to affordability across regions of the state.

4. 21st Century Health Care Workforce

The development of a credentialing and certification system for “Health Care Workers” employed by supportive housing provider organizations, paralleling the credentialing system currently used for Medicaid certified providers of mental health and substance abuse services, coordinated with the higher education system in Illinois is key.

5. General Comments

Supportive housing works. It is less costly than institutional care. It is empowering for the individual resident. It helps people become healthier. SHPA and its membership commit to work together with state agencies to meet the objectives of the Triple Aim.

ⁱ To access these reports see:

- <http://jama.ama-assn.org/cgi/content/full/301/17/1771>
- <http://documents.csh.org/documents/ResourceCenter/SysChgToolkit/CredibleData/NAHCSummitIIIPolicy paper.pdf>
- http://www.aidschicago.org/about_afc/3_6_2008.php
- <http://documents.csh.org/documents/fui/FUHSIEvaluationReportFINAL.pdf>
- <http://psychservices.psychiatryonline.org/cgi/content/57/7/992>
- www.shnny.org/documentas/FinalDHFCCostStudy.pdf
- <http://www.mhsa.net/matriarch/documents/HHG%20June%20report%20FINAL.pdf>
- <http://documents.csh.org/documents/ResourceCenter/SysChgToolkit/CredibleData/CostOfHomelessness.pdf>
- http://www.ich.gov/newsletter/images/2008_summit/Final1811CostNumbers.pdf
- <http://www.seattle.gov/news/detail.asp?ID=8078&Dept=40>
- <http://documents.csh.org/documents/policy/PortlandCostStudy.pdf>
- <http://www.heartlandalliance.org/whatwedo/advocacy/reports/supportive-housing-a-wise-investment-summary-2009.pdf>
- <http://hearthconnection.org/files/The%20Minnesota%20Supportive%20Housing%20and%20Managed%20Care%20Pilot%20-520Evaluation%20Summary%2028March%202009%29.pdf>
- http://www.thresholds.org/wp-content/uploads/2013/11/Path-Forward_Investing-in-Illinois-Community-Mental-Health_Final.pdf